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# **PineStone 鼎石**

## **Pinestone Capital Limited**

### **鼎石資本有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 804)**

## **DISCLOSEABLE TRANSACTION – PROVISION OF FINANCIAL ASSISTANCE**

### **PROVISION OF FINANCIAL ASSISTANCE**

The Board is pleased to announce that on 6 October 2023 (after trading hours of the Stock Exchange), the Lender entered into the Loan Agreement with the Borrower, pursuant to which the Lender has agreed to grant to the Borrower the Loan in the amount of HK\$19,000,000 which is interest bearing at 16% per annum for a term of 6 months from the date of the Loan Agreement.

### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the amount of the Loan granted to the Borrower exceeds 5% but is less than 25%, the grant of the Loan constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

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## THE LOAN AGREEMENT

Date: 6 October 2023

Lender: Pinestone Capital Group Limited

Borrower: Mr. Victor WOOD, an individual and an Independent Third Party

Loan amount: HK\$19,000,000

Interest rate: 16% per annum

Term: The Loan shall be available to the Borrower for a period of 6 months from the date of the Loan Agreement

Maturity date: Maturity date falls on 6 April 2024

Repayment: The Borrower shall pay interest accrued on the outstanding balance of the Loan on a monthly basis and shall repay the total outstanding balance of the Loan together with any outstanding interest accrued thereon on the Maturity Date, being the 6 months from the date of the Loan Agreement

The Borrower may prepay to the Lender all outstanding balance of the Loan together with interest accrued by giving prior ten days written notice to the Lender

The Lender may request the Borrower to repay all outstanding balance of the Loan together with interest accrued by giving prior ten days written notice to the Borrower

Purpose of the Loan: The Loan shall be used by the Borrower exclusively for the Borrower's private investments

Security: a share charge (the “**Share Charge**”) in relation to the entire issued shares of the Guarantor executed by the Borrower in favour of the Lender

## **INFORMATION ON THE COUNTERPARTIES**

### **The Borrower**

The Borrower is an individual and the ultimate beneficial owner of the Guarantor.

### **The Guarantor**

The Guarantor is a private limited company incorporated in England and Wales. It owns a property in the United Kingdom. As at the date of this announcement, the borrower is the ultimate beneficial owner of the Guarantor.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Borrower is the Independent Third Party and not connected with the Group.

## **INFORMATION OF THE GROUP AND THE LENDER**

The Group is principally engaged in comprising (i) securities brokerage; (ii) securities-backed lending; (iii) placing and underwriting; and (iv) other money lending services.

The Lender is an indirect wholly-owned subsidiary of the Company and is a company incorporated in Hong Kong with limited liability, and is a holder of money lender license under the Money Lenders Ordinance. The grant of the Loan is carried out as part of the ordinary and usual course of business of the Lender.

## **INFORMATION ON THE CREDIT RISK RELATING TO THE LOAN AGREEMENT**

The advance in respect of the Loan Agreement was made based on (i) the Group's credit assessment on the financial strength and repayment ability of the Borrower; (ii) the value of the security provided by the Borrower; and (iii) the financial strength and repayment ability of the Guarantor.

After taking into account the factors as disclosed above in assessing the risk of the advance and the result of the due diligence of the Borrower, the Group considers that the risk involved in the advance to the Borrower is acceptable to the Group.

## **FUNDING OF THE FINANCIAL ASSISTANCE**

The Group will finance the Loan by internal resources of the Group.

## **REASONS AND BENEFITS FOR ENTERING INTO THE LOAN AGREEMENT**

The terms of the Loan Agreement (including the interest rate) are negotiated on an arm's length basis between the Lender and the Borrower on normal commercial terms with reference to the prevailing market practice. Taking into account the financial background and repayment ability of the Borrower and the Guarantor, the Directors are of view that a stable revenue and cashflow stream from interest income for the Group is expected to be generated from the Loan. The Directors consider and believe that the terms of the Loan Agreement are fair and reasonable and the entering into of the Loan Agreement is in the interests of the Company and its Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

The Loan as provided under the Loan Agreement constitutes a financial assistance provided by the Lender within the meaning of the Listing Rules.

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the amount of the Loan granted to the Borrower exceeds 5% but is less than 25%, the grant of the Loan constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

In this announcement, the following expressions have the following meanings:

“Board”	the board of Directors of the Company
“Borrower”	Mr. Victor WOOD, an individual and an Independent Third Party, who is the ultimate beneficial owner of the Guarantor
“Business Day(s)”	a day (other than a Saturday, Sunday or public holiday in Hong Kong) on which commercial banks are generally open for business in Hong Kong

“Company”	Pinestone Capital Limited (鼎石資本有限公司), a company incorporated in the Cayman Islands with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 804)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Guarantor”	Cornerstonemeta Ltd, a company incorporated in England and Wales which the Borrower is the ultimate beneficial owner of the Guarantor
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	parties which are not connected persons of the Company (as defined in Listing Rules) and are independent of and not connected with the Company and its connected persons
“Lender”	Pinestone Capital Group Limited (鼎石資本集團有限公司), a company incorporated under the laws of Hong Kong and an indirect wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	a loan in the amount of HK\$19,000,000 granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement
“Loan Agreement”	the loan agreement dated 6 October 2023 entered into between the Lender and the Borrower in relation to the grant of the Loan
“Maturity Date”	being the 6 months from the date of the Loan Agreement

“Money Lenders Ordinance”	the Money Lenders Ordinance (Chapter 163 of the laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	percentage

By order of the Board  
**Pinestone Capital Limited**  
**Lee Chun Tung**  
*Executive Director*

Hong Kong, 6 October 2023

*As at the date of this announcement, the Board comprises Mr. Zhu Zheping, Mr. Lee Chun Tung and Mr. Yan Ximao as the executive Directors; Mr. Yau Tung Shing as non-executive Director; and Mr. Lau Kelly, Mr. Wong Chun Peng Stewart and Mr. Cheng Man Pan as independent non-executive Directors.*